

FAR Part 47 - Transportation

Quality Reviews
To Evaluate or Not to
Evaluate
No TAC Code

Quality Reviews

- Out of 277 files cross-divisional post award file reviews, there were 26 errors where the PR transportation requirements were not properly conveyed on the solicitation/contract.
- Follow the PR requirements for transportation, or coordinate any changes with the 1653 initiator.

To Evaluate or Not to Evaluate Transportation Charges The LGMTT Perspective

- **52.247-47 -- Evaluation -- F.o.b. - Origin.**
 - Used in competitive solicitations when transportation charges are significant, and
 - It is likely that transportation charges could influence the selection of the source.
- **52.247-50 No Evaluation of Transportation**
 - Used when evaluation is desirable, but infeasible.

No TAC Code

- Someone always pays for transportation charges.
- AFI 24-201 (1 JAN 99) *CARGO MOVEMENT*, Chapter 3 TRANSPORTATION FUNDING defines Transportation Appropriation Chargeable (TAC) codes and Abbreviated Transportation Accounting Classification (ATAC) codes.

No TAC Code Con't

- TAC codes are a convenient way to identify who will pay the transportation charges.
- TAC codes are established by activities that have a high volume of transportation charges.
- TAC codes budgeted for and funded annually by the organization that established it .

No TAC Code Con't

- When LGMTT cannot identify a TAC code for a particular PR or MIPR they refer the buyer to the funds that fund the PR or MIPR.
- Since a TAC code cannot be used for such actions, the buyer must consider how the transportation charges will be funded.

No TAC Code Con't

- Without an ATAC, we have two choices.
 - You can choose to use FOB origin, in which case a separate CLIN for transportation charges is recommended.
 - You can choose to use FOB destination and include the transportation charges in the price of the item.

No TAC Code Con't

- The FOB destination choice is problematic because Inspection and Acceptance most like must be done at Origin.
- So, of the two choices, a separate CLIN for transportation charges is usually preferable.

No TAC Code Con't

- If you use FOB origin and you are sole source:
 - Obtain an estimate from your vendor and coordinate this amount with LGMTT to determine the maximum likely transportation charge.
 - Obtain addition funding as needed to cover the transportation estimated charges.
 - Include the Transportation funding on your ACD, if one is used.
 - Establish a separate NTE Transportation CLIN and fund it with the funds used to pay for the material being transported.

No TAC Code Con't

- If you use FOB origin and you are competitive:
 - Consider the use of 52.247-47 -- **Evaluation -- F.o.b. - Origin.**
 - If not indicated on the DD Form 1653, recoordinate with LGMTT before adding to solicitation.

No TAC Code Loose Ends

- PK Handbook needs updating with a coordinated set of “No TAC code” procedures
- Is a PR mod needed or is the guidance on the DD 1653 sufficient?
- Is a deobligation note to the ACO needed?
- Transportation estimate should reflect inflation for long lead time CLINs.\
- How to address in ID/IQ and option contracts.

52.247-47 -- Evaluation

Evaluation -- F.o.b. Origin (Apr 1984)

Land methods of transportation by regulated common carrier are the normal means of transportation used by the Government for shipment within the United States (excluding Alaska and Hawaii). Accordingly, for the purpose of evaluating offers, only these methods will be considered in establishing the cost of transportation between offeror's shipping point and destination (tentative or firm, whichever is applicable) in the United States (excluding Alaska and Hawaii). This transportation cost will be added to the offer price in determining the overall cost of the supplies to the Government. When tentative destinations are indicated, they will be used only for evaluation purposes, the Government having the right to use any other means of transportation or any other destination at the time of shipment.

No TAC Code Con't

- After a source has been selected, obtain estimated transportation charges from that vendor and coordinate this amount with LGMTT.
- Obtain addition funding as needed to cover the transportation estimated charges.
- Include the Transportation funding on your ACD, if one is used.
- Establish a separate NTE Transportation CLIN and fund it with the funds used to pay for the material being transported.